

Filed for intro on 02/16/95  
House Bill \_\_\_\_\_  
By \_\_\_\_\_

Senate No. SB1595  
By Dixon

AN ACT to amend Tennessee Code Annotated, Title 54, Chapter 4, Part 1, and Title 54, Chapter 4, Part 2, relative to state funds for local aid.

WHEREAS, public transportation has taken on increased importance throughout the State of Tennessee; and

WHEREAS, public transportation provides persons throughout the state of Tennessee with safe, reliable and efficient means to travel to and from work, medical appointments, and shopping and recreational trips; and

WHEREAS, public transportation provides employers and entrepreneurs of all sizes throughout the state of Tennessee with a safe, reliable and efficient means by which consumers and workers alike reach their places of business; and

WHEREAS, in many rural areas throughout the state of Tennessee, public transportation is the only means by which needy citizens can be transported to hospitals, community health centers, and clinics; and

WHEREAS, in many rural areas throughout the state of Tennessee, public transportation is the only means by which senior citizens can be transported to community centers and senior citizen centers; and

WHEREAS, the cost of providing safe, reliable and efficient public transportation has steadily increased over recent years; and

WHEREAS, public transportation is provided by cities, towns, counties, transit authorities and metropolitan governments; and

WHEREAS, federal financial assistance for operating expenses of public transportation has significantly decreased and is likely to decrease further, with the result that an increasing financial burden will fall on the cities, counties, towns, metropolitan governments, and transit authorities that provide public transportation throughout the state; and

WHEREAS, reliable figures reflect that there are 2,739 functionally obsolete bridges and 2,868 structurally deficient bridges in Tennessee out of a total 19,020 bridges as of September 20, 1994; and

WHEREAS, there are 13,582 miles of state-maintained roads in Tennessee; and

WHEREAS, cities, towns, metropolitan governments and counties require assistance in constructing and maintaining roads and bridges; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 54-4-103(a)(2), is amended by deleting it in its entirety and by substituting in its place the following:

(2) "Mass transit systems", as used in this section, includes, but is not limited to, services also funded under § 9 and § 18, respectively, of the Federal Transit Act of 1964, as amended, and administered by the department of transportation, and public transportation systems and transit authorities organized and existing under and by virtue of Tennessee Code Annotated, Title 7, Chapter 56.

SECTION 2. Tennessee Code Annotated, Section 54-4-103(e), is amended by deleting it in its entirety and by substituting instead the following:

The various county trustees in those counties which operate a mass transit system shall use twenty-two and twenty-two hundredths percent (22.22%) of funds in the county aid fund for the purpose of funding mass transit systems.

SECTION 3. Tennessee Code Annotated, Section 54-4-103, is further amended by adding the following new subsection:

(f) Notwithstanding any provision of the law to the contrary, a county shall be eligible to receive those revenues to be distributed directly to it from Tennessee Code Annotated, § 54-4-103(e), only if it appropriates and allocates funds for mass transit purposes from local revenue sources in an amount not less than the average of the five (5) preceding fiscal years, except bond issues and federal revenue sharing proceeds shall be excluded from the five (5) year average computation. If a county fails after July 1, 1995, to so appropriate and allocate at least such average amount for mass transit purposes, then the amount of revenues which would otherwise be allocable to such county from the revenues derived by § 54-4-103(e) shall be reduced by the amount of the decrease below such average. The amount of such funds not allocated to such county because of such decrease shall be allocated to the general fund. Provided, however, that if a county has not appropriated or allocated funds for mass transit purposes within the five (5) preceding fiscal years, the county may nevertheless receive the revenues derived by virtue of § 54-4-103(e) by appropriating and allocating funds for mass transit systems from local revenue sources in an amount not less than the revenues derived by virtue of § 54-4-103(e). Provided further, that in the event a county does not operate or provide funds for a mass transit system, the provisions of this act shall have no effect, and the county may expend the funds received from the county aid fund for the purposes and in the manner set forth in Section 54-4-103.

SECTION 4. Tennessee Code Annotated, Section 54-4-201, is amended by adding a new subsection (5) to read and to be effective as follows:

(5) "Mass transit systems", as used in this section, includes, but is not limited to, services also funded under § 9 and §18, respectively, of the Federal Transit Act of 1964, as amended, and administered by the department of transportation, and public transportation systems and transit authorities organized and existing under and by virtue of Tennessee Code Annotated, Title 7, Chapter 56.

SECTION 5. Tennessee Code Annotated, Section 54-4-204(f), is amended by deleting the section in its entirety and inserting instead the following:

Notwithstanding any other provisions of law to the contrary, in those municipalities which operate or provide funds to mass transit systems, funds in the municipal street aid fund shall be expended by municipalities receiving such funds for the purpose of funding mass transit systems. Twenty-two and twenty-two one hundredths percent (22.22%) of such funds shall be used for the purpose of finding of mass transit.

SECTION 6. Tennessee Code Annotated, Section 54-4-204, is further amended by adding the following new subsection (g) and by redesignating the existing subsection (g) as subsection (h):

(g)

(1) Notwithstanding any provision of the law to the contrary, a city shall be eligible to receive those revenues to be distributed directly to it from Tennessee Code Annotated, § 54-4-204(f) only if it appropriates and allocates funds to mass transit systems from local revenue sources in an amount not less than the average of the five (5) preceding fiscal years, except bond issues and federal revenue sharing proceeds shall be excluded from the five (5) year average computation. If a city fails after July 1, 1995, to so appropriate and allocate at

least such average amount to mass transit systems, then the amount of revenues derived by § 54-4-204(f) shall be reduced by the amount of the decrease below such average. The amount of such funds not allocated to such city because of such decrease shall be allocated to the general fund.

(2) Notwithstanding any provision of subsection (g)(1) to the contrary in the event a city does not operate a mass transit system, the provisions of this act shall have no effect, and the city may expend the funds received from the municipal street aid fund for one (1) or more of the purposes set forth in Section 54-4-204.

SECTION 7. This act shall take effect upon becoming a law, the public welfare requiring it.